



METROPOLITAN  
 TRANSPORTATION  
 COMMISSION  
 SERVICE AUTHORITY  
 FOR FREEWAYS  
 AND EXPRESSWAYS

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## *Memorandum*

TO: Operations Committee

DATE: May 7, 2010

FR: Executive Director

W.I.: 1231, 1232, 1235, 1237

RE: MTC SAFE FY 2010-11 Final Budget – MTC SAFE Resolution 55

The SAFE program will begin the next fiscal year with an Operating Reserve of \$11.6 million. With the proposed expenditures and transfers in the draft FY 2010-11 budget described in this memo, we project the SAFE reserve will have a balance of \$11.1 million at the close of FY 2010-11. In addition, we project a capital reserve balance of \$6 million at the end of FY 2010-11.

### **Budget Summary (in thousands)**

#### **Operating Budget**

Opening Reserve Balance	\$11,576
FY 2010-11 Operating	
Revenue	\$17,694
Expenses	<\$16,997>
Transfers	<\$1,204>
Operating Deficit	<\$507>
Ending Reserve Balance	\$11,069

#### **Capital Budget**

Opening Reserve Balance	\$6,142
FY 2010-11 Capital	
Revenue	\$2,998
Expenses	<\$3,098>
Transfers	\$0
Capital Deficit	<\$100>
Ending Reserve Balance	\$6,042

### **Operating Budget**

We are forecasting that annual vehicle registration fees dedicated to the Bay Area Call Box program will hold steady at approximately \$6.0 million. The Freeway Service Patrol is expected to receive State funding of approximately \$6.1 million and \$3.5 million in federal Surface Transportation Program (STP) funding. In combination with other funding sources, total operating revenues for the SAFE program are forecast to be \$17.7 million in FY 2010-11.

Operating expenditures will total \$17 million, the bulk of which is for Freeway Service Patrol (FSP) tow service contracts (\$9.9 million). Other operating expenses include \$1.5 million for general operations and \$1.0 million for consulting services. Salaries in the budget have increased due to 1) staff moving from the MTC budget to the MTC SAFE budget, 2) increased cost for benefits, and 3) increased costs for retiree medical benefits for retired and currently employed staff. Significant changes in operating expenditures include a Caltrans-funded FSP Benefit/Cost analysis that documents the effectiveness of the FSP program.

Consistent with prior years, the budget includes a transfer of funds to MTC for projects such as 511, freeway operational efficiency projects, and regional emergency preparedness activities, totaling \$1.2 million. This \$1.2 million transfer is a 50% reduction from the FY 2009-10 transfer to MTC.

### **Capital Budget**

SAFE will receive \$3.0 million in non-SAFE funding for the Incident Management and Freeway Performance Initiative projects in the SAFE capital program. The draft budget recommends \$3.1 million for new capital projects in FY 2010-11 (listed in Attachment B), which requires a SAFE contribution of \$100,000.

### **SAFE Program Reserves**

The SAFE Program has two reserves, an Operating Reserve and a Capital Reserve. An increase of STP funds for the Freeway Service Patrol program and a decrease in operating expenditures for the Freeway Service Patrol and Call Box programs will balance operating revenues and expenses in FY 2010-11. As a result, the SAFE operating reserve is expected to stabilize within a range of \$9 and \$12 million over the next five years. At the close of FY 2010-11, we anticipate an operating reserve of approximately \$11 million and a capital reserve of approximately \$6 million.

### **Recommendation**

Staff recommends that the Committee refer MTC SAFE Resolution No. 55, to the Authority for approval.

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Steve Heminger

SH:JM

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**Attachment B**  
**SAFE Capital Project Funding**  
**FY 2010-11**

- **Freeway Incident Management and Operational Efficiency Projects (\$1,640,000 Congestion Mitigation and Air Quality):** This funding will implement projects to enhance incident management and reduce congestion along the I-880 corridor in Alameda County. The I-880 corridor was selected to serve as a regional test bed to develop, deploy and assess the benefits of incident management strategies because it is a densely populated, multi-modal corridor that connects major employment centers. As a major goods movement corridor, I-880 has high traffic volumes and incident rates, and serves as a route of major economic significance both within the region and throughout the state. Specific project proposals are being developed in collaboration with Caltrans and local stakeholders, and will be brought to this committee for approval.
- **FPI Detection Fitness (\$500,000 Caltrans):** The intent of the project is to improve the state of detection on freeways throughout the Bay Area. Project funding from Caltrans will be used to conduct field inspections of detection loops and perform repairs where needed.
- **Freeway Performance Initiative (\$858,000 STP):** This funding is intended to support the implementation of ramp metering on freeway corridors where equipment has been installed but not yet turned on. The work will involve development of metering timing plans and coordination with local agencies.
- **Bay Area Video Upgrade Project (BAVU) (\$100,000 SAFE):** This funding for the BAVU project will fund technical support services in FY 2010-11. The BAVU project is intended to upgrade over 400 Closed Caption Television (CCTV) cameras on Bay Area freeways. In addition to field device upgrades, when complete, the system will include upgraded video distribution services, web-based video viewing/control services, and a field device health-monitoring system. This project is currently in the full system build-out phase.